

Industry news from the California Department of Motor Vehicles

## 175 changes to Vehicle Code for the new millennium

During the 1999 legislative session, 1,300 Senate measures and more than 1,700 Assembly measures were introduced. Of these proposals, more than 1,030 were eventually enacted into law, including more than 175 changes to the Vehicle Code. Key laws affecting DMV operations and where the changes were made in the Vehicle Code and other codes follow. Unless stated otherwise, the laws took effect January 1.

**An amendment to Vehicle Code (VC) Section 20002** allows a motorist involved in an auto accident resulting in damage to property, including the vehicle, to move the vehicle to a safe location off the main lanes of the highway. **An amendment to VC Section 23113** contains provisions protecting government employees from liability for damage to personal property, which may occur while attempting to remove such property from roadways where it is blocking traffic. The liability protection doesn't extend to government employees if the property was damaged because of the employee's willful misconduct or gross negligence.

**The addition of VC Section 21655.9, effective July 1, 2000,** allows inherently low-emission vehicles to use high occupancy vehicle lanes regardless of the number of occupants in the vehicle. The California Highway Patrol is to design a decal, label, or other identifier and determine where such will be placed on the vehicle. The legislature requires DMV to issue the special identifier.

**Amendments to Civil Code Sections 3071 and 3072** require a lienholder to remove and destroy the license plates following a lien sale and, within five days of the sale, submit a completed Notice of Release of Liability (REG 138) form to the department. The depart

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## DMV web site features Pull Notice Program

Information regarding DMV's Employer Pull Notice (EPN) program, which allows employers to monitor their drivers for safety, is available on the DMV Internet site, [www.dmv.ca.gov](http://www.dmv.ca.gov).

Visitors to the site can access the information from the "What's New" link or the "Other Services" link. The site includes general information about the EPN program, a brief history of when legislation was enacted to create the program; who is required to enroll; how the program works; what the fees are; what forms are required; how to contact the EPN Unit via mail, telephone, or e-mail; and frequently asked questions related to the program.

Customers are able to access and download forms, complete them on-screen, print, and then mail the forms to DMV for processing. Future enhancements to the site will include the ability to submit the forms electronically.

The EPN program was established in compliance with California Vehicle Code Section 1808.1 to provide employers and regulatory agencies with a means of promoting driver safety through the ongoing review of driver records.

Employers are required to enroll any driver employed for the operation of any vehicle if

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# New laws: Address driver education, low cost

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ment is required to retain the  
NRLs for two years.

**An amendment to VC Section 9250.14** extends the repeal date to January 1, 2005, authorizing counties to assess an additional \$1 fee on all motor vehicles registered in the county to fund local programs relating to vehicle theft.

**Amendments to VC Sections 21115, 21115.1, and 24607, additions of Sections 385.5, 4023, 11713.10, and Article 5 (starting with Section 21250) to Chapter 1 of Division 11 of the VC** provide a definition for "Low Speed Vehicles" (LSV) and clarify the operational limitations of these vehicles. The law defines a LSV as a motor vehicle capable of propelling itself at a minimum speed of 20 miles per hour and

maximum speed of 25 miles an hour on a paved surface.

**Changes and additions to Article 5.5 (starting with Section 11629.7) of Chapter 1, Part 3, Division 2 of the Insurance Code, and the addition of VC Section 16020.1** establish a low cost automobile policy in Los Angeles County. Premiums would be \$450 with a 25 percent surcharge for single males 19-25 years old. The limits of the policy are \$10,000/\$20,000 bodily injury and \$3,000 property damage. The law becomes inoperative in four years.

**Changes and additions to Article 5.6 (starting with Section 11629.9) of Chapter 1, Part 3, Division 2 of the Insurance Code, and the addition of VC Section 16020.2** establish a low cost automobile policy in the City and County of San Francisco. Premiums would be \$410 with a 25 percent surcharge for single males 19-25 years old. The limits of the policy are \$10,000/\$20,000 bodily injury and \$3,000 property damage. The law sunsets in four years.

**Amendments to Insurance Code Sections 1871.7, 1872.4, 1872.8, and 1872.95, the addition of Section 1872.45, and the changes to and addition of Sections 1874.8 and 1874.81, plus an amendment to VC Section 1806** require DMV to remove from its driver license records all references to a traffic accident if it is later determined that the person was the victim of an accident

"staged" to commit insurance fraud. Known as the Organized Crime Prevention and Victim Protection Act of 1999, the law says that when a district attorney files a criminal complaint for violation of specified Penal Code provisions relating to false insurance claims, he or she shall also provide specified notice to the affected insurers, the victims, and the DMV. The DMV shall remove any record of the underlying accident that is on the license record of a victim.

**Amendments to VC Sections 1808.47, 4750, 16020, 16025, 16028, 16029, 16030, 16033, 16070, 16071, 16457, and 40611, the addition of Sections 1808.24 and 4000.38, the repeal and addition of Section 4000.37, and the repeal of Sections 1680, 16020, 16070, 16071, 16457, and 40611** eliminate the sunset date for the "proof of insurance with vehicle registration" program, making the program permanent. The law requires insurance companies to issue those they insure a standardized insurance verification form, developed by DMV, to be submitted with the annual vehicle registration renewal document. The law also authorizes the continuation of a pilot electronic insurance reporting system.

**The addition of Section 10754.1 to the Revenue and Taxation Code** gives owners of International Registration Plan vehicles a 25 percent credit on vehicle license fees paid on December 31, 1998. **Effective**



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# ***auto insurance, auto auctions, smog certification***

**date was July 7, 1999.** Without this law, the 25 percent reduction would not have been applicable to these vehicles until December 31, 1999.

**Changes and the addition of Section 44015 to the Health and Safety Code** relating to pollution provide that a smog certification issued to a dealer is valid for two years or until the vehicle is sold and registered to a retail buyer, whichever comes first. The law also requires each dealer to obtain smog certification for each vehicle for sale.

**Amendments to VC Sections 11704.5 and 11713.1** clarify that only persons applying for an original “used vehicle” dealer’s license must take a DMV written exam prior to licensure. The law also increases the fee that smog inspection dealers may charge from \$45 to \$50, plus the actual cost of the certificate.

**Another law amends VC Sections 221, 9564, and 40000.5** to modify the existing definition of activities requiring licensing as an auto dismantler. It narrows the ability of unlicensed entities, such as agricultural, farming, mining, ranching, and motor vehicle repair businesses to retain vehicles that are “intended to be used” for repairing other vehicles.

**An amendment to VC Section 11202.5** allows experience working as an instructor in a commercial driver training and education program operated by a labor organization to meet the criteria necessary to qualify

as a traffic violator school operator.

**An addition to VC Section 12814.8** establishes a two-year pilot study to evaluate several methods of providing classroom driver education programs to persons under 18. The study, to be conducted by DMV, would compare the effectiveness of traditional classroom instruction with correspondence-type course and electronic instructional methods. The pilot program would be repealed on December 31, 2002.

**Amendments to VC Section 11713.11 and 11729 and the addition of VC Section 11713.14** make several important clarifications to existing law regarding the responsibilities of persons conducting motor vehicle auction sales and that auto auctions may be conducted by licensed California dealers only. The new law enhances current disclosure laws to better inform the purchaser of all fees and charges added to the bid price.

**Amendments to VC Sections 2981 and 2982 and the repeal of Civil Code Section 2982.2** require that vehicle, conditional sale contracts must include the method for calculating the positive or negative value of a trade-in vehicle, and that this value must be reflected in the total down payment shown in the contract.

**Amendments to VC Sections 5101.4, 5101.3, and 5101.8** eliminate special license plate fees for persons qualified

to receive Pearl Harbor Survivor, Legion of Valor, and Purple Heart plates.

**An amendment to VC Section 5073** authorizes a special interest license plate to raise funds for the Ronald Reagan Presidential Library. The sponsors must conform to the standard plate criteria contained in **VC Section 5060**.

**An amendment to Revenue and Taxation Code Section 10754** increases the Vehicle License Fee offset rate to 35 percent for one year, starting January 2000.

**Effective June 8, 1999, amendments to Sections 40448.5 and 40448.5.1 of the Health and Safety Code** and changes to **VC Section 9250.11** extend the sunset date from August 1, 1999, to January 1, 2005, of the law that permits the South Coast Air Quality Management District to impose a one dollar fee on motor vehicles registered in the district.

**The addition of Section 1464.2 to the Penal Code**, the amendment of **VC Section 2936** and the repeal of **VC Sections 2937 and 2938** extend indefinitely the authority for DMV to annually collect a \$2 registration fee surcharge on every motorcycle subject to vehicle registration. The law also extends indefinitely DMV’s authority to operate the Motorcycle Safety Program.

**Assembly Transportation Omnibus** issues that were signed into law include: It is  
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# New laws: Impact commercial drivers

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unlawful for a commercial vehicle operator to fail or refuse to comply with any lawful out-of-service order, issued by a peace officer, that complies with certain federal regulations. Persons falsifying information on the application for a commercial driver license would not be permitted to drive a commercial vehicle for 60 days. Persons convicted of a first violation of an out-of-service order would not be permitted to drive a commercial motor vehicle for 90 days. The court is prohibited from ordering a person to attend traffic violator school in lieu of adjudicating an offense if the person was convicted of a serious traffic violation while driving a commercial vehicle. Misdemeanor penalties are provided for persons operating a commercial motor vehicle upon a highway at a speed exceeding 15 miles per hour over the posted maximum speed limit, making such a violation a serious traffic offense for commercial driver sanctioning purposes.

## Senate Transportation

**Omnibus** issues signed into law include: Certificates of compliance would be acceptable either in a printed or electronic (online) format. Regarding the Motor Carrier of Property Permit Act (MCPA), a “utility trailer” is defined as any trailer with a gross weight of 10,000 pounds or less and used solely to transport personal property. Motor trucks or

two-axle truck trailers with a gross vehicle weight of less than 26,001 pounds that are used solely to tow a camp trailer, trailer coach fifth-wheel travel trailer, or utility trailer are exempted from the MCPA program.

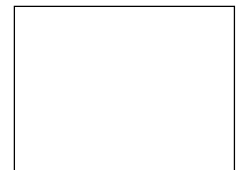
Copies of these new laws are available through the Legislature’s home page at [www.leginfo.ca.gov](http://www.leginfo.ca.gov) on the Internet.

## Pull notice: Who must be enrolled?

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the driver is required to have any of the following:

- Class A or Class B license;
- Class C with Hazardous Materials Endorsement;
- Class C with Special Certificates issued pursuant to specified vehicle code sections;
- Any driver of a passenger vehicle having a seating capacity of not more than 10 persons, including the driver, operated for compensation by a charter-party carrier of passengers;
- Passenger stage corporation with a certificate of public convenience and necessity or permit issued by the Public Utilities Commission; and
- If any of the following drive any vehicle requiring a license or certificate described above, they must be enrolled in the EPN program as an employee—owners who own, lease or otherwise operate more than one motor unit or more than three towed vehicles; owner/operators who have partners; family members and volunteer drivers.



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